

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6837

BILL NUMBER: HB 1222

NOTE PREPARED: Feb 19, 2013

BILL AMENDED: Feb 19, 2013

SUBJECT: Lobbyists and Legislative Liaisons.

FIRST AUTHOR: Rep. Friend

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) *Legislative Persons:* This bill provides that all employees of the legislative branch are considered "legislative persons" for purposes of the legislative lobbyist statute.

Electronic Filing of Registration Statements and Activity Reports: The bill requires lobbyists to file registration statements and activity reports electronically unless granted a waiver from the Indiana Lobby Registration Commission (ILRC).

Lobbyist Registration Fee Increase: The bill increases the annual lobbyist registration fee from \$100 to \$200 and from \$50 to \$100 for lobbyists for certain organizations covered under Section 501(c) of the Internal Revenue Code.

Various Changes to Reporting Requirements: The bill provides that the lobbyist registration year is the same as the current period for reporting by lobbyists. It changes the manner of filing lobbyist gift and purchase reports. It provides that for purposes of the prohibition against a lobbyist paying or reimbursing for out-of-state travel of legislative persons, "travel expenses" does not include meals. The bill also provides that reports of legislative liaisons are filed on the same schedule as reports of lobbyists.

Late Report Filing Fee: The bill provides that the ILRC may waive all or part of a late report filing fee.

Electronic Access Cards: At the request of a lobbyist, the bill requires the Indiana Department of Administration (IDOA) to issue an electronic access card to the lobbyist to provide the lobbyist with access to the State House. It requires the lobbyist to pay for issuance of an electronic access card an amount equal

to the amount that a state employee must pay to replace a lost electronic access card. The bill also requires a lobbyist to surrender an electronic access card after the individual ceases to be a lobbyist.

Effective Date: (Amended) November 1, 2010 (retroactive); July 1, 2013; November 1, 2013; January 1, 2014.

Explanation of State Expenditures: (Revised) *Electronic Filing of Registration Statements and Activity Reports:* This bill requires that lobbyists use the ILRC's online system to file registration statements and activity reports unless they are granted a waiver by the ILRC to file paper reports and pay an additional fee. To the extent that this bill reduces the number of lobbyists filing paper reports, it would reduce the time currently necessary for data entry of these reports by staff. According to data from the ILRC for FY 2012, about 55% of about 1,500 registered lobbyists filed reports electronically.

(Revised) *Electronic Access Cards:* The bill requires that the IDOA issue electronic access cards to lobbyists at their request. The lobbyists would pay a fee of \$20 (the amount a state employee must pay to replace an electronic access card) to the IDOA. These fees should cover the costs associated with issuing the cards.

Explanation of State Revenues: (Revised) *Electronic Filing of Registration Statements and Activity Reports:* The bill provides that if lobbyists receive a waiver from the ILRC to file paper reports, then they must pay an additional fee to the ILRC equal to the amount that would have been required to pay the state's third party vendor to file registration statements and activity reports electronically. The amount in additional fees collected by the ILRC will depend upon the extent that they grant waivers for paper filing, but it is expected to be minimal.

(Revised) *Lobbyist Registration Fee Increase:* This bill could increase revenue to the state General Fund by about \$140,000 beginning in FY 2014. This estimate is based upon lobbyist registration data from the ILRC for FY 2012. The fee would increase from \$100 to \$200 for most lobbyists, and from \$50 to \$100 for lobbyists for certain organizations covered under Section 501(c) of the Internal Revenue Code.

(Revised) *Late Report Filing Fee:* This provision would provide the ILRC with additional flexibility when deciding to waive penalties. Currently, the ILRC may only waive the entire penalty assessed.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Lobby Registration Commission; Indiana Department of Administration.

Local Agencies Affected:

Information Sources: Amy Nicholson, Indiana Lobby Registration Commission, 317-232-9860; Connie Smith, Indiana Department of Administration, 317-233-1494.

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